

UNITED STATES DEPARTMENT OF AGRICULTURE

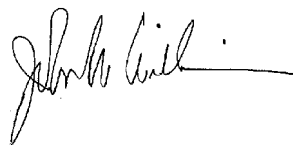
Farm Service Agency
Washington, DC 20250

Notice FI-2505

For: State and County Offices

New Procedures for Transferring Debt in County Release No. 472 and State Release No. 386

Approved by: Deputy Administrator, Management



1 Overview

A

Background

The Debt Collection Improvement Act of 1996 (DCIA) requires agencies to minimize the cost of debt collection by consolidating related functions and activities dealing with debt collection. The Paperwork Reduction Act of 1995 requires Federal agencies to minimize the paperwork burden resulting from the collection of information, by or for the Federal Government. Currently, the transfer process for all eligible claims to KCFO includes preparing a transfer tape, photocopying the claim files, and mailing the files to Debt Management Division (DMD), Debt Collection Branch (DCB), KCFO. This process is also used when a claim is transferred from the originating office to another office.

Software included in County Release No. 472 and State Release No. 386 will modify the claims transfer process to no longer require a transfer tape.

B

Purpose

This notice provides the following instructions for the new method of transferring debts to KCFO, DMD, DCB for central agency debt collection action.

- The option to "Transfer a Claim to Another Office" will generate files that will be queued and transmitted during end-of-day processing, therefore eliminating saving files to tape, preparation time, and mailing fees.
- Claim file documents shall be FAXed to the DCB Imaging System, which will eliminate photocopying and mailing documents.

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Disposal Date	Distribution
July 1, 2002	State Offices; State Offices relay to County Offices

1 Overview (Continued)

C

Contacts

For questions or inquiries, County Offices shall contact 1 of the following through their State Office.

IF questions or inquiries about...	THEN contact...
this notice	Barbara Nowell, FMD, Domestic Debt, Claims, and Financial Management Staff, at 703-305-1433.
software	the FSA National Help Desk.
transferring eligible debts to KCFO, DCB	a Claims Representative at 816-926-1941.

2 Claims Eligibility

A

Claims Eligible for Transfer

A “Claims Eligible for Transfer” report is automatically generated weekly on Tuesday during the start-of-day process. The County Office should review this report and transfer eligible claims at that time. Eligible claims shall be transferred to DMD 30 calendar days after the debt is established in the Automated Claim System (ACS), unless the:

- claim is in appeal or litigation
 - claim is under civil rights review
 - claim is involved in bankruptcy
 - debtor is deceased
 - claim is owed by a participating debtor and will be paid within 3 years from the date of indebtedness by program offset.
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B

Dollar Amounts for Transfers

DMD refers claims equal to or greater than \$100 to the Department of Treasury for cross-servicing; therefore, only claims equal to or greater than \$100 should be transferred to KCFO. Claims \$25 or greater will still be referred by KCFO to Treasury for inclusion in the Treasury Offset Program, but should remain in the County Office. Claims under \$25 for which no future collections or offsets are anticipated should be terminated as uncollectible by the County Office.

3 State and County Office Action

A

New Transfer Procedures

County Offices shall transfer claims by selecting:

- option 5, “Transfer a Claim”, on Claims Primary Selection Menu AVA001
- option 1, “Transfer a Claim to Another Office”, on Claims Transfer Menu AVA040. This process will automatically queue and transmit files to Kansas City or another appropriate office during end-of-day as follows:
 - transfer from a County Office to another County Office - SSCCCAUI3 and SSCCCAUI5
 - transfer from a County Office to a State Office or KCFO, DMD - SSCCCAUI4 and SSCCCAUI6.

State Offices shall transfer claims by selecting:

- option 5, “Transfer a Claim”, on Claims Primary Selection Menu AVF001
- option 1, “Transfer a Claim to Another Office”, on Claims Transfer Menu AVF040. This process will automatically queue and transmit files to Kansas City or another appropriate office during end-of-day as follows:
 - transfer from a State Office or KCFO, DMD to another State Office or KCFO, DMD - SSCCCAUI4 and SSCCCAUI6
 - transfer from a State Office or KCFO, DMD to a County Office - SSCCCAUI3 and SSCCCAUI5.

Claims transferred to DMD should be transferred to office 80-000. This daily transmission will eliminate the need for preparing and mailing a transfer tape.

B

FAX Claim Documents

It is no longer necessary for County Offices to photocopy and mail contents of claim files. For claims transferred to KCFO:

- FAX the claim documents to the DCB Imaging System at 816-823-4240

Note: Do not mail paper documents.

- attach a cover sheet listing the producer’s name and claim number to each claim that is FAXed. Provide a contact name and telephone number on the cover sheet. Send a separate FAX for each claim.
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3 State and County Office Action (Continued)

B

FAX Claim Documents (Continued)

Claim file documents for claims transferred to other County Offices will continue to be photocopied and mailed.

Note: Claim file documents shall be FAXed immediately after the claim is transferred on ACS.

The following documents shall be FAXed to KCFO, DMD, or photocopied and mailed to another County Office:

- signed program contract, worksheets, and settlement statements proving the basis of the debt and the claim amount
- initial notification letter
- first demand letter
- second demand letter, if one was mailed
- Detail Claim Information Report
- all correspondence to and from the debtor
- promissory note, if applicable
- FSA-671 transmittal for the transfer

Note: Do not FAX any other FSA-671's.

- all documents and correspondence about appeals, disputes, legal action, and Department of Justice and OGC involvement.
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C

Receiving a Transferred Claim

When a claim has been transferred to an office, 2 files will be received during start-of-day. Start-of-day will generate 2 printed reports indicating a claim(s) is awaiting transfer into the office:

- Claims Transfer Report AVKTRF-R001
 - Claims Transfer Report AVKTFR-R001.
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3 State and County Office Action (Continued)

C Receiving a Transferred Claim (Continued)

The following are examples of the printed reports.

STATE 22	U. S. Department of Agriculture	Prepared: 10-03-01
COUNTY 105	Farm Service Agency	Time: 08:43
Report ID: AVKTRF-R001	Claims Transfer Report	Page: 1

Claim # 220001000010 has been transferred to this office.

Claim # 450711000011 has been transferred to this office.
Please establish the transferred claim(s).

STATE 22	U. S. Department of Agriculture	Prepared: 10-03-01
COUNTY 105	Farm Service Agency	Time: 08:43
Report ID: AVKTFR-R001	Claims Transfer Report	Page: 1

Claim # 220001000010 has been transferred to this office.

Claim # 450711000011 has been transferred to this office.
Please establish the transferred claim(s).

Note: The only difference in the reports will be the report ID (i.e., AVKTRF and AVKTFR). Both reports must be printed for a transferred claim to be established.

D Establishing a Transferred Claim

To establish each claim, select:

- option 1, "Establish a Claim" on Claims Primary Selection Menu AVA001 (AVF001 for States)
- option 2, "Establish a Transferred Claim" on Establish Menu AVA010 (AVF010 for States).

ACS will remind the user that there are more claims to establish until the last one is loaded.

Note: If only 1 Claims Transfer Report is received as noted in subparagraph C, Screen AVKTFRER will be received when attempting to establish the transferred claim. If this problem persists after following the displayed directions, contact the FSA National Help Desk through the State Office.

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3 State and County Office Action (Continued)

D Establishing a Transferred Claim (Continued)

The following is an example of Screen AVKTFRER.

Debts & Claims Information Screen	105 TANGIPAHOA Version: AC87	Message AVKTFRER 10-10-2001 12:21 Term B2
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Establish a Transferred Claim

The information required to establish a transferred claim
was not available on disk.

All files have not been received for this claim. Please
try this process again the next business day.

If the problem continues, contact the National Help Desk.

Enter=Continue

E Duplicate Transfer

A Claims Representative in KCFO, DCB or the FSA National Help Desk will notify State and County Offices when it is necessary to perform a duplicate transfer.

County Offices shall create a duplicate claim transfer by selecting:

- option 5, “Transfer a Claim”, on Claims Primary Selection Menu AVA001
- option 3, “Create a Duplicate Transfer Claim”, on Claims Transfer Menu AVA040. This process will create a duplicate transfer and automatically queue and transmit files to Kansas City or another appropriate office during end-of-day.

State Offices shall create a duplicate claim transfer by selecting:

- option 5, “Transfer a Claim”, on Claims Primary Selection Menu AVF001
 - option 3, “Create a Duplicate Transfer Claim”, on Claims Transfer Menu AVF040. This process will create a duplicate transfer and automatically queue and transmit files to Kansas City or other appropriate office during end-of-day.
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